FBIS DAILY REPORT

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PRESIDENT DENIES REPORTS OF CABINET RESHUFFLE

PY270022 La Paz Radio Cruz del Sur Network in Spanish 2330 GMT 26 Dec 79 PY

[Excerpt] President Lidia Gueiler today denied press reports indicating that a cabinet reshuffle would take place and that the ministers of labor, defense and agriculture and peasant affairs would be replaced.

President Gueiler said that no one is exerting pressure on the government, adding that it is not true that the labor minister will be removed. She said: I will not tolerate pressure from anyone. She added that reports on a cabinet reshuffle are just rumors.

PLANNING MINISTER SEEKS FINANCIAL AID FOR COUNTRY

PY262029 La Paz EL DIARIO in Spanish 29 Dec 79 p 1 PY

[Text] Planning and Coordination Minister Jorge Agreda yesterday launched the implementation of a plan involving direct contacts with government representatives of five nations in order to find financial aid to solve the current economic crisis.

The talks which began yesterday dealt with matters related to the possibility of obtaining financial and technical aid to advance specific projects aimed at improving the standards of living of so-called "low income" sectors.

The talks involved diplomatic representatives of the FRG, Argentina, Czechoslovakia, Japan and the United States.

Each negotiation dealt with subjects covered by the general guidelines established by the government within the framework of its national economic policy for specific targets, according to official information.

In the morning the minister met with FRG Ambassador Gerhard Witten, Argentine Ambassador Aly Ipres Corbat, and United States Ambassador Paul Boeker.

In the afternoon the minister was visited by Czechoslovakian Ambassador Stanislav Novotny and Japanese Ambassador Eikichi Hayashiya.

The talks were private.

SOCIALIST FALANGE ANNOUNCES FORMATION OF CENTRAL COMMITTEE

PY211558 La Paz EL DIARIO in Spanish 17 Dec 79 p 1 PY

[Excerpt] The Bolivian Socialist Falange (FSB) has announced the consolidation of the party and reported the formation of a central committee until new FSB officials are elected.

The document issued on this subject reports that the committee is made up of the following persons, who will have equal power: Gaston Moreira, Jaime Ponce, Enrique Riveros, Juvenal Sejas, Carlos Valverde, Jaime Tapia and Raul Portugal.

The FSB also advocates the implementation of a vast political social and economic program to interpret the desires and aspirations of the people and help build in Bolivia a Democratic, representative and united society that will establish a state of law capable of guaranteeing well-being, freedom and social justice for all Bolivians.

PETROBRAS 'NOT OVERLY CONCERNED' OVER LOSS OF IRANIAN OIL

PY271947 Sao Paulo O ESTADO DE SAO PUALO in Portuguese 22 Dec 79 p 22 PY

[Excerpt] The Brazilian Petroleum Corporation (PETROBRAS) remains firmly opposed to purchasing crude oil at "spot" market prices, which is why it refused Iran's offer to renegotiate the contract by which the latter supplies it with oil, according to a statement made yesterday by a PETROBRAS spokesman. The source added that PETROBRAS has a number of other options for obtaining oil.

Despite the fact that the negotiations with Iran have failed, to the point that PETROBRAS Commercial Director Carlos Santanna will return to Brazil this weekend, Brazil will try in January to get the National Iranian Oil Company executive board to agree to continue supplying Iranian oil.

Between January and October of this year, Iran supplied Brazil with an average of 105,000 barrels per day, which represents 10.3 percent of the country's overall oil imports for this period. At the beginning of the year the rate of supply reached 150,000 barrels per day, but later it was reduced by decision of the Iranian Government despite the fact that a commercial agreement signed between Iran and Brazil 2 years ago called for the provision of 200,000 barrels per day.

PETROBRAS' refusal to accept the Iranian proposal to purchase part of its oil at "spot" market prices is based on a principle established by the leadership of the enterprise, according to which the acceptance of this imposition would make the country vulnerable to pressures from other oil producers, which would demand similar treatment. PETROBRAS admits that it will have to change its mind if all the other OPEC countries were to follow Iran's example in drawing up their contracts. However, so far the enterprise has not encountered any other demands in this regard.

The spokesman for PETROBRAS also said that the state company is not greatly concerned over the possibility that the contract with Iran will not be renewed. The reason for this is that there is already an operational system for purchases which will allow PETROBRAS to compensate for the oil provided by Iran at short notice. This oil, which amounts to 104,000 barrels per day, could be obtained by getting 40,000 barrels more from Iraq beginning in January; 20,000 barrels from Mexico; 20,000 from Angola; 30,000 from Venezuela; and 10,000 from China.

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BRIEFS

TURKISH, ITALIAN AMBASSADORS--President Joao Baptista Figueiredo yesterday morning received the credentials of the new ambassadors of Turkey and Italy to Brazil, Yalcin Kurtbay and Giuseppe Jacoangeli, respectively. [Rio de Janeiro O GLOBO in Portuguese 19 Dec 79 p 7 PY]

NEW TV CHANNEL--Minister of Communications Haroldo Correa de Mattos has authorized the Bandeirantes network to operate a new TV channel in Curitiba. [Sao Paul Radio Bandeirantes Network in Spanish 1000 GMT 20 Dec 79 PY]

ATOMIC BOMB CAPABILITY ALLEGED BY MAGAZINE

PA241626 Madrid EFE in Spanish 1634 GMT 23 Dec 79 PA

[Text] Santiago, Chile, 23 Dec (EFE)--Chile could manufacture an atomic bomb capable of destroying Buenos Aires, Lima or La Paz, states the Sunday issue of the Santiago daily MERCURIO quoting a Bolivian magazine.

The opinion, according to the Santiago daily, is contained in a report published by the magazine CLARIN INTERNATIONAL, which stresses that Chile would be converted into a nuclear power "if it had sufficient quantities of plutonium oxide and political decision."

The Bolivian magazine points that Chile has reportedly secretly acquired a reprocessing plant for transforming the 60 tons of uranium it extracts yearly from Chuquicamata mine into 5 kg of plutonium, enough to make an atomic bomb similar to Hiroshima's.

EL MERCURIO adds that according to CLARIN INTERNATIONAL, Chile wants to produce a more powerful lithium fluoride bomb that would devastate a populated 70 square km area, such as La Paz, downtown Buenos Aires or Lima.

CLARIN INTERNATIONAL is of the opinion that Chile intended to obtain lithium from the territory it was going to deliver to Bolivia in exchange for the port of Arica, located in territory claimed by Peru.

The publication alerts the Bolivian Government and armed forces not to grant Chile territorial exchanges because it would thus "be giving away uranium and lithium to the enemy to manufacture the instrument that would destroy Bolivia."

The magazine also emphasized that "Chile cannot now manufacture an atomic bomb because it lacks the strategic materials which Bolivia has in abundance along the western mountain range and the plateau."

SOCIALIST PARTY ACTIVIST DETAINED BY POLICE

PY272111 Santiago Chile Domestic Service in Spanish 1630 GMT 27 Dec 79 PY

[Excerpts] The judicial proceedings against (Victor Manuel Munoz Espinoza) have turned out to be quite interesting because he was originally detained by policemen who confused him with another man they were seeking.

When (Munoz) was taken to police headquarters the confusion ended, but police discovered that (Munoz) was carrying many subversive pamphlets. As a result he has been charged with violating the national security law and failing to obey the political recess.

After being informed about the case, appeals court judge (Hernan Perez Bravo) ordered the detention of (Munoz). Police investigation showed that (Munoz) is an active Socialist Party member.

BRIEFS

FOREIGN DEBT, CURRENCY RESERVES--The Chilean Central Bank reports that the Chilean foreign debt was $7,536,000,000 on 30 June 1979. In terms of real dollar value, this means that the foreign debt has been reduced by 5.7 percent since December 1978. The gross reserves of foreign currencies totaled $2,018,000,000 on 30 June 1979, as compared with $1,597,000,000 at the end of December 1978. [Santiago Chile Domestic Service in Spanish 1000 GMT 22 Dec 79 PY]

CENTRAL BANK OFFICIAL EXPLAINS BALANCE OF PAYMENTS SURPLUS

PA261803 Lima EXPRESO in Spanish 21 Dec 79 p 2 PA

[Text] Peru will close its balance of payments accounts in 1979 with a surplus of $1.48 million. Consequently it will not have to refinance its foreign debt with international banks this year or with the Club of Paris in 1980.

This surplus is the result of an export volume of $3.46 million and imports of $2.05 million. Considering payments for services, this would leave Peru with a positive balance of $587 million for the first time in 8 years.

The total also includes a positive flow of capital (foreign investments and capital invested in short and long terms).

Drago Kisic Wagner, chief of the foreign department of the Central Reserve Bank of Peru, supplied figures that show the country's progress in its economic recovery to this newspaper yesterday.

International Reserves

Kisic Wagner noted that the country will have accumulated $460 million in international reserves by the end of 1979. "We have greatly surpassed the $1.02 million deficit we had in 1978," he said.

"The negative effect of the crisis," he continued, "is being overcome in Peru thanks to an improvement in the prices of our exports in the international market and an increase in nontraditional exports, government incentives and particularly gradual international and local trust in the handling of our economic and financial matters."

Positive Effects

Kisic Wagner stressed that one of the positive effects is that Peru was able to meet the payment of its foreign debt. "For this reason we are able to meet our payment to international banks this year and to the Club of Paris in 1980 without having to resort to any refinancing," he added.

"Moreover," he said, "we will also be able to return to a normal rhythm of imports of capital goods for the industrial sector as well as raw materials for our national industry."

Long Terms

He said longer terms--which range from 10 to 12 years--have now been set for foreign debt contracts, "most of which will be used for investment projects that guarantee the recovery of capitals," he added.

Gross National Product Increases

Finally he noted that it has been estimated that the gross national product will increase by 3 percent by the end of 1979, like the rate for population growth, which has also increased by 3 percent.

BRIEFS

FRG CREDIT APPROVED--In yesterday's cabinet meeting, the Peruvian Government approved the DM30 million credit granted by the FRG Government through the Reconstruction Bank for the (Pequetepeque) irrigation project. [Lima Domestic Service in Spanish 1200 GMT 19 Dec 79 PY]

ELECTORAL COURT SAYS EVERYTHING READY FOR ELECTIONS

FY211712 Buenos Aires TELAM in Spanish 1400 GMT 21 Dec 79 FY

[Text] Montevideo, 21 Dec (TELAM/AFP)--The Uruguayan electoral court has announced that everything is ready for the plebiscite on constitutional reform scheduled for 1980 and the general elections scheduled for 1981. The president of the electoral court, Nicolas Storace, said that for this purpose the electoral registers had been checked and updated to verify the voters who can really vote. He added that at this point there are 2 million people eligible to vote out of an overall population of less than 3 million. He concluded by stating that the government is presently studying a draft law which will control the operation of political parties.

COMMANDER BELIEVES POLITICAL OPENING NOT ADVISABLE IN 1980

FY262255 Buenos Aires LATIN in Spanish 2014 GMT 26 Dec 79 FY

[Excerpts] Montevideo, 26 Dec (LATIN)--The commander in chief of the air force, Lt Gen Raul Bendahan, said today that "it is not advisable to have a political opening in 1980" in Uruguay. During a press conference with local reporters, the military chief said that next year will be marked by legal-constitutional action and that, according to plans, the government will submit the guidelines for a new constitution to the Council of State. Asked about the proscriptions affecting about 3,000 politicians who were candidates in the last two elections, 1966 and 1971, Bendahan said today that a commission is studying the cases in detail "although we believe that there is in fact a group of persons who, due to their prior political activity, could not be easily rehabilitated." Bendahan said: "I believe that there is room for proscriptions in a democracy in order to defend and safeguard it from political elements which conspire against the essence of democracy." He said that the participation of the armed forces in the institutional life of the country will be better regulated in the future constitution and that in 1980 "efforts must be made in the area of development, and the officials and the government will take care of political matters." The chief of the air force made an evaluation of the country's economic development during 1979, saying that in this regard "we did not do very well because inflation got a bit out of hand."

BOMB DESTROYS FRANKLIN ROOSEVELT MONUMENT

FY262358 Paris AFP in Spanish 2221 GMT 26 Dec 79 FY

[Text] Montevideo, 26 Dec (AFP)--The government's national directorate for public relations reported tonight that a bomb explosion destroyed the monument to former U.S. President Franklin Roosevelt today. The base of the statue had already been damaged by a bomb on 22 April 1979. The people responsible, who were not identified on that occasion, wrote on the monument an inscription stating: "For being a Jew and a Mason." According to the public relations directorate, those responsible for today's bombing have not yet been identified. The official report added that this action "confirms that the danger of terrorism still exists" with "the organizations, men and means necessary for this type" of activity. The Roosevelt monument is located in a large park named after the former president along the avenue leading to Carrasco International Airport.

HERRERA CAMPINS ACKNOWLEDGES OIL PRICE RISE

PA271939 Caracas Radio Rumbos Network in Spanish 1530 GMT 27 Dec 79 PA

[Ernesto Vega report]

[Text] President Luis Herrera Campins has been at his private office in the Visconti building on Padre Sierra Munoz. The chief of state told this station: I think 1980 will be a good year, particularly as concerns production.

Dr Luis Herrera Campins remembered the old days of the electoral campaign. He said: We left this office victorious. Following are his remarks:

[Begin recording] I stayed at this office during the entire nomination and part of the candidacy too because by that time we had moved to Quinta Belen. I am happy to be here with all the friends who have been with us all along. We are celebrating this year and will continue to celebrate in the coming years.

[Question] Mr President, what do you have to say about your first 9 months in office?

[Answer] Don't ask me for statements now--no. [laughter] We are working hard. That is all I can tell you, and I think we are going to have a good year in 1980, particularly as concerns production.

[Question] [words indistinct] About the Cuban case [words indistinct]

[Answer] Nothing. We have dealt with that with tact, discretion and firmness--three basic conditions of international policy.

[Question] About oil policy, Mr President, [words indistinct]?

[Answer] The price of oil is going to rise. We will have a higher price [words indistinct].

[Question] It has been reported the oil price hike will be $2 per barrel.

[Answer] We have raised the oil price. This will be reported to the news media before the end of the year. Of course it is above the level OPEC could have reached and it is bearable to the industrialized countries.

[Question] Will the hike not apply to the Caribbean countries, Mr President?

[Answer] We have special treatment for the Caribbean and Central American countries regarding supply facilities, but always within OPEC guidelines.

[Question] About future trips abroad next year?

[Answer] I have many planned for next year. [end recording]

NO REPLY RECEIVED FROM CUBA ON EMBASSY INCIDENT

PA261845 Paris AFP in Spanish 1651 GMT 26 Dec 79 PA

[Text] Caracas, 26 Dec (AFP)--Venezuelan Foreign Minister Jose Alberto Zambrano Velasco has refused to comment on reports from Havana about the Cuban Government's rejection of the Venezuelan protest over an incident on 13 December.

On 13 December, seven Cubans sought asylum at the Venezuelan Embassy in Havana by breaking in with a truck, but they were machinegunned by Cuban guards and one was wounded. He died the following day.

Venezuela issued a formal protest over what it considered excessive zeal in Cuba's protection of the embassy. Venezuela maintains that this protection also endangers its own diplomatic personnel.

Zambrano Velasco said he has not received an official reply from the Cuban Government regarding Venezuela's protest. He added that the Foreign Ministry will not issue comments on replies which have not been delivered to the embassy in Havana or the Foreign Ministry in Caracas.

He stressed that Cuba's reply must be as formal as the Venezuelan protest.

We have confidence, he said, in Cuba's good will to remove obstacles which incomprehensibly hinder the good development of our relations; particularly, he added, in the willingness to guarantee that such an incident will not be repeated in the future.

ATTACKERS OF GENERAL'S HOME KILLED BY GUARDS

PA272325 Paris AFP in Spanish 1821 GMT 27 Dec 79 PA

[Text] Caracas, 27 Dec (AFP)--A Marine, an Olympic wrestler and two laborers, all without criminal records, were identified by the Defense Ministry here as those who attacked the home of a general early on the morning of 25 December. All four youths were killed by military guards.

The identification of the attackers caused surprise here today since the bodies of the youths all had bullet wounds in the head, according to the local press.

The father of one of the youths said the bodies were released to relatives at the military hospital morgue without any documentation.

The dead youths are Gustavo Jose Galindo, 19, who had been a Marine; Carlos Antonio Monsalve, 18, a former junior champion of Olympic wrestling, and laborers Blas Ramon Pena, 19 and Jose Segarra Mosquera, 16.

According to a Defense Ministry communique, the four entered the Caracas residence of Gen Anibal Teran Briceno, director general of the Defense Ministry, and were killed when they attacked the watchman with weapons.

BRIEFS

OIL PRODUCTION--Caracas, Dec 12 (AFP)--The Venezuelan Central Bank reported today that the country's oil production in October was 2.45 million barrels a day, an 8.4-percent increase over the same month last year. In September Venezuela produced 1.06 million barrels a day of petroleum byproducts and exported 606,000 barrels a day. In the same month Venezuela exported 1.365 million barrels of crude a day. [Paris AFP in Spanish 1844 GMT 12 Dec 79 PA]

GOVERNMENT RECEIVES EXTRADITION REQUEST FROM IRAN

PA271225 Panama City Domestic Service in Spanish 0200 GMT 27 Dec 79 PA

[Text] Following a week of tension--that resulted in violence--as a result of the arrival of the former shah of Iran in this country, Panama City remained normal again today. This continued over the students' Christmas vacation, but political observers say this relative calm will be broken as soon as the religious spirit of the present week fades away.

A source from the Federation of Panamanian Students (FEP) told Radio Libertad today that before the end of the week a FEP delegation will be going to Tehran at the invitation of the Iranian students.

A few days ago the FEP condemned the presence of the former Iranian monarch in our country and regretted the fact that Panama is still behaving like a banana republic. Last week's demonstrations left a toll of dozens of wounded, including a local journalist.

Source close to the Presidency have told this station that the Revolutionary Council of Iran has sent a formal extradition request for the former monarch in the form of a 15-paragraph document. The document lists the crimes committed by the former shah.

The extradition request was sent through the Iranian representative at the United Nations.

FOREIGN MINISTER MAINTAINS RELATIONS WITH U.S. GOOD

PA280224 Panama City Televisora Nacional in Spanish 2315 GMT 27 Dec 79 PA

[Interview with Dr Carlos Ozores, Panamanian Minister of Foreign Affairs, conducted by Jose Montano, Panamanian television reporter, on 27 December--recorded; place not given]

[Text] [Ozores] Shortly after the repeated attempts to violate the Panama Canal treaties were denounced, Panama noticed its relations with the United States had been affected.

[Question] Mr Foreign Minister, what is the real status of our relations with the U.S. Government?

[Answer] Panama's relations with the United States are very good at this moment. It is true that the Panamanian Government has lodged a protest with the United States, stressing the failure of the U.S. Government to appoint the five U.S. citizens who must form part of the board of directors of the Canal Commission. This is definitely affecting the management in some way...[Ozores changes thought] I mean, not so much the management of the waterway itself but a series of details that must be reviewed by the board of directors, which currently does not exist. However, we have been told that the selection will be made in January.

Apparently, the situation stems from a minor internal conflict between two departments in the U.S. Government. As we all know, three of the five members must be representatives of the private sector, who have already been selected, and two of the executive branch. Apparently, the problem lies with the appointment of the two representatives of the executive branch. In any event, the U.S. Government has given us assurances that the appointment will be made in January. This will enable the board of directors to meet as it should because, really, it is necessary that it start meeting.

Aside from this incident, which is a serious and important one, and viewing our overall relations, I would say they are excellent.

[Question] Mr Foreign Minister, how does this government view the international reaction to the shah's presence in our country?

[Answer] The information we have been gathering from the various countries, not only from Latin American countries but from European countries as well, has been good. That is to say, Panama's gesture has been valued for what it is. As President Royo himself has explained on several occasions, Panama took this step for strictly humanitarian reasons.

The impression is that the shah's presence in Panama has not brought about a change in the situation at the U.S. Embassy in Tehran. However, we do believe that the situation has changed somewhat and that most probably Panama's step will contribute to the solution of the problem. This may become apparent in the next few weeks.

LABOR HITS ROYO'S STAND ON LAW 95; STRIKE DUE

PA212024 Panama City Televisora Nacional in Spanish 0315 GMT 21 Dec 79 PA

[Excerpt] Phillip Dean Butcher, secretary general of the Confederation of Workers of the Republic of Panama [CTRP], harshly criticized the government tonight for its stand on Law 95, which is repudiated by the country's working class. The veteran labor leader announced that a strike will be declared in January by the CTRP, a powerful organization that comprises bank, Canal Zone, television station, port and transportation unions and other important sectors.

Let us listen to Butcher's harsh statements:

[Begin recording] The CTRP has held this news conference to publicly repudiate the president's statements made during a breakfast meeting held with the country's top labor leaders on 14 December. In this meeting, President Royo said that he does not agree with the abolishment of Law 95.

The Republic of Panama signed agreements 87 and 98 which grant the right to organize unions and it is sad to realize that at this stage we have a government which wants to violate this. We received the president's statements as a slap on the face; however, we were even more hurt because he made the statements now, when so much is said about peace and good will toward men. We wanted to spend a merry Christmas with our families but the president's statements will turn it into a bad Christmas. The CTRP stand is that it will declare a strike in December [as heard]. We will soon announce to the Panamanian people and our members when we will go on strike. [end recording]

BRIEFS

NEW AMBASSADOR-Quito, 25 Dec (AFP)--Black Ecuadorean novelist and writer Adalberto Ortiz was appointed extraordinary and plenipotentiary ambassador to the Republic of Panama. [Paris AFP in Spanish 1640 GMT 25 Dec 79 PA]

EL SALVADOR

PAPERS FAIL TO PUBLISH KIDNAPERS' COMMUNIQUE

PA271507 Paris AFP in Spanish 1453 GMT 27 Dec 79 PA

[Text] San Salvador, 27 Dec (AFP)--Salvadoran papers today did not publish a communique as demanded by the kidnapers of South African Ambassador Archibald Dunn. The People's Liberation Front had threatened to kill the diplomat if two of its communiques were not published on 26 and 27 December.

ANTICOMMUNIST MARCH CONCLUDES WITHOUT INCIDENT

PA280251 Panama City ACAN in Spanish 2348 GMT 27 Dec 79 PA

[By Irene Contreras]

[Text] San Salvador, 27 Dec (ACAN-EFE)--The demonstration of the peace and work crusade ended without serious incident this afternoon when it arrived at the headquarters of the armed forces general staff in the western sector of San Salvador. The march was organized to demand that the revolutionary government junta guarantee a climate of tranquillity and take action against leftist terrorism.

There was a single march, although four different departure points had been announced. It was learned that the announcement had been made to throw off leftist sectors that might have tried to attack the march.

Private companies suspended operations to allow their workers to participate in the demonstration, which was obviously anticommunist in nature.

The demonstrators gathered at Cuscatlan Park, then marched down Roosevelt Avenue toward the west, continued along the street to the neighboring community of Santa Tecla and ended at the headquarters of the Salvadoran Army General Staff.

The march was escorted by many members of the peace and work crusade on motorcycles who rode in front of and behind the march and in adjacent streets. Some 20 light planes and several helicopters flew over the capital, particularly over the area in which the demonstrators were marching. A blue and white Salvadoran flag was carried by many women and girls. It extended across the entire width of the broad street. Youths carrying communications equipment walked alongside the march, exchanging information with cars, motorcyclists, airplanes and helicopters.

Several demonstrators spoke at the general staff building and they gave a list of requests to Nicolas Carranza, under secretary of defense.

The participants in the march were dressed in blue and white and wore blue scarfs around their necks. Others had the slogan "Peace and Work" on their backs.

On arriving at the general staff building, five delegates of the demonstrators talked with the under secretary of defense. A document which they handed to him said: We have come to demand that the armed forces comply with their constitutional duty to preserve respect for the law and the existence of the republic.

The document adds that peace can be achieved only through order and respect for the just and necessary law. This law must emanate from the people's will manifested through the mechanisms of democracy based on free elections.

The army must in the short term promote the establishment of the legislative branch, which is responisble for drafting the permanent laws needed by the country, the document maintains.

GUATEMALA

INTERPOL TO TRY TO INTERCEPT IRANIAN COMMANDO TEAM

PA271901 Panama City ACAN in Spanish 1841 GMT 27 Dec 79 PA

[Text] Guatemala City, 27 Dec (ACAN-EFE)--The International Police [INTERPOL] office here reported today that it will try to intercept four Iranian commandos who are traveling to Panama to try to assassinate the former shah of Iran. According to the INTERPOL spokesman, word had been received that the four Iranians would stop in this capital en route to Contadora Island, Panama, where the deposed monarch is staying. He added that local INTERPOL elements have adequate information to try to stop the Iranians.

NICARAGUA

JUNTA ANNOUNCES GOVERNMENT REORGANIZATION

PA271215 Panama City ACAN in Spanish 2116 GMT 27 Dec 79 PA

[Excerpts] Managua, 27 Dec (ACAN-EFE)--As part of the reorganization of the government's administrative apparatus ordered today by the Nicaraguan government junta, six members of the Sandinist National Liberation Front's (FSLN) National Directorate have been appointed to important government posts. Cmdr Daniel Ortega Saavedra has been confirmed government junta member, while five other FSLN National Directorate members have been appointed ministers of state.

Humberto Ortega Saaveora, commander in chief of the Sandinist Peoples Army (EPS), has been appointed defense minister in place of Bernardino Larios, a former colonel in the now-extinct Nicaraguan National Guard.

Famous guerrilla Henry Ruiz, also known as Commander Modesto, has emerged as the new planning minister, replacing Roberto Mayorga Cortes, who has not been mentioned for any other state post.

Cmdr Luis Carrion Cruz, second commander in chief of the army, has been appointed deputy defense minister.

Cmdr Tomas Borge Martinez has been confirmed in the post of interior minister.

Cmdr Jaime Wheelock Roman has been appointed minister of agricultural and livestock development, after the activities of the Nicaraguan Agrarian Reform Institute (INRA) and of the Agricultural and Livestock Development Ministry were merged into a single ministry.

These and other appointments were announced today at a government house ceremony to which the diplomatic corps accrdited here had been specially invited. All national reconstruction junta members, FSLN national directorate members, guerrilla commanders and new officials, as well as those who were confirmed in their posts, were also present. The event was broadcast on a national radio and television network. Strict security measures were implemented. All the roads leading to the government house were blocked and no private vehicles were allowed to circulate in the area.

With the creation of new ministries and the merger of others, the cabinet is now made up of 17 ministers, in addition to the chiefs of other bodies and corporations who also have ministerial rank.

The following are among the ministers who were confirmed in their posts today: minister of foreign relations, Father Miguel D'Escoto Brockman; of finance, Joaquin Cuadra Chamorro; foreign trade, Alejandro Martinez Cuencas; transportation, Dionisio Marenco; social welfare, Lea Guido de Lopez; labor, Virgilio Godoy Reyes; education, Carlos Tunnerman Berheim; culture, Father Ernesto Cardenal Martinez; housing, Miguel Ernesto Vigil; health, Cesar Amador Khul. New ministers include: industry, Fernando Guzman; domestic trade, Paul Atha Ramirez; construction, Carlos Schutze; defense, Cmdr Humberto Ortega Saavedra; planning, Cmdr Henry Ruiz.

Most of the ministries will have two vice ministries. The famous Commander Cero, Cmdr Eden Pastora Gomez, leader of the attack on the national palace in August, 1978, was transferred from vice minister of the interior to vice minister of defense. Commander Cero will be in charge of organizing the Popular Militia, among other duties.

Cmdr Daniel Ortega Saavedra, member of the government junta, said that the reorganization seeks "to break away from Somozist models." He added that the changes were effected in line with the revolution's needs and urged all officials to work with efficiency and austerity. He warned that no one will be perpetuated in government posts, including the members of the government junta. "It should be clearly understood that we can be removed and transferred any time," the Nicaraguan leader said.

He complained that some employees and officials are opposed to making sacrifices or attending meetings after working hours. Instead, they go on vacations "as if things were normal." "We feel that we must work more and make special efforts and, in this sense, we must complain to the companeros working for the government," Ortega said.

Ramirez Reads Appointments

PA272300 Managua Domestic Service in Spanish 1823 GMT 27 Dec 79 PA

[Statement by Sergio Ramizrez, member of the Nicaraguan government junta, at the national palace in Managua during a meeting to announce the new Nicaraguan cabinet--live]

[Text] The following will be the basic changes in the new structure of the government of national reconstruction--changes that are called for by the need to nationalize the functions of the state. [break in transmission for approximately 5 minutes]

The minister of domestic trade is Paul Atha Ramireaz. Pedro Antonio Blandon is general deputy minister and Victor Moreno is deputy minister of the People's Commercial Corporation [Corporacion Comercial del Pueblo]. [applause]

The minister of foreign trade is Alejandro Martinez Cuenca and the deputy minister is Alvaro Guzman Cuadra. [applause]

In the Ministry of Farming and Livestock Development, which will group together all the functions related to agriculture in Nicaragua, there are three vice ministries. Within one of the vice ministries, which is the Agrarian Reform Institute [INRA], there are three directors--excuse me--four directors.

The minister of farming and livestock development is Cmdr Jaime Wheelock Roman. The three deputy ministers are: in farming and livestock policy, Ricardo Coronel Kautz; finance (Angel Navarro Deshong); and the vice minister of the INRA is Salvador Mayorga Sacasa. The four directors of the INRA are, respectively: in AGROINRA [not further identified] Manuel Coronel Kautz; in PROCAMPO, (Antenor Perrey Pernudio); in service enterprise [empresa de servicio), Sebastian Gonzalez; and in the INTA [not further identified], Noel Zuniga. [applause]

The minister of transportation is Dionisio Marenco and the vice ministers are Bernardino Turcios and Bernardo Chamorro. [applause]

The minister of construction is Carlos Schutze and the vice ministers are Rodrigo Cardenal Martinez and Elio Diaz Lacayo. [applause]

The minister of social welfare is Lea Guido and the vice minister is Matan Sevilla. [applause]

The minister of labor is Virgilio Godoy Reyes and the vice minister is Edgar Macias. [applause]

The minister of education is Carlos Tunnerman Berheim and the vice ministers are Francisco Guzman and Miguel de Castilla. [applause]

The minister of culture is Father Ernesto Cardenal and the vice minister is Daisy Zamora. [applause]

The minister of housing is Miguel Ernesto Vigil and the vice ministers are (Roberto Lacayo Baguardi) and Luis Enrique Figueroa. [applause]

The minister of health is Cesar Amador Khul and the vice ministers are Adolfo Chamorro Teffel and Juan Ignacio Gutierrez. [applause]

The minister of the International Reconstruction Fund is Alfredo Cesar Aguirre and the vice minister is Pierre Penalba. [applause]

The minister of the Managua Reconstruction Board is Samuel Santos. [applause]

In the office of the prosecutor of justice, the general prosecutor is Ernesto Castillo Martinez. [applause]

In the general comptrollership, the general comptroller is (Emilio Balsodano Pallais) and the deputy comptroller general is Arnoldo Martinez. [applause]

In the general secretariat of the junta, the minister-secretary is Emilio Baltodano Cantarero. [applause]

The minister of the Nicaraguan Fishing Institute is Carlos Coronel Kautz. [applause]

The minister of the Nicaraguan Corporation of Mines and Hydrocarbons is Carlos Zarruck and the vice minister is Ramiro Bermudez. [applause]

The executive director of the Superior Banking Council is Luis Carrion Montoya and the deputy director is Leonel Poveda. [applause]

The president of the Central Bank of Nicaragua is Arturo Cruz and the bank's general manager is Adolfo Ubilla. [applause]

The president of the National Development Bank is (Alfredo Alamis). This bank has two vice presidents: Marco Castillo Ortiz and Mayra Pasos de Rapaccioli. [applause]

The president of the Insurance and Reinsurance Institute is Leonel Arguello Ramirez. [applause]

The director of the Nicaraguan Energy Institute is Emilio Rapaccioli. [applause]

The director of the Nicaraguan Aqueducts and Sewers Institute is (Otoniel Arguello). [applause]

The director of the Nicaraguan Social Security Institute is (Reynaldo Pepin). The deputy director is Father (Edgar Carrales). [applause]

The Municipal Affairs Secretariat is headed by its secretary: Rogelio Ramirez Mercado. [applause]

The director of the Natural Resources and Environment Institute is Jorge Jenkins. The deputy director is Vladimir Perez. [applause]

The director of the Nicaraguan Tourism Institute is (Alejandro Cardenal Balberri). [applause]

The director of the National Telecommunications and Post Office Directorate is Alvaro del Prado and the deputy director is Federico Lopez.

The director of the National Institute of Statistics and Census is Jaime Ocon. The deputy director is Armando Rodriguez. [applause]

We also want to make some announcements regarding the diplomats who represent Nicaragua abroad. Some Nicaraguan embassies abroad have not yet been assigned personnel because of the limitations we have been facing and that we have been overcoming little by little. The following people will be representing our country as ambassadors:

In Honduras: Jose Leon Talavera. [applause]
In Guatemala: (Alejandro Castillo Matush). [applause]
In Costa Rica: Javier Chamorro Mora. [applause]
In Panama: Marcos Valle. [applause]
In Cuba: (Manuel Andara Ubega). [applause]
In Ecuador: (Alvaro Taboada). [applause]
In the Dominican Republic: Aldo Diaz Lacayo. [applause]
In the GDR: Alvaro Ramirez Gonzalez. [applause]
In the Soviet Union: Ricardo Wheelock Roman. [applause]
In Sweden: Marco Antonio Gonzalez. [applause]
In Japan: (Isidro Leon Yerbo). [applause]
In Colombia: (Rodolfo Abauca Salinas). [applause]

Now we will swear in the companero members of the Government of National Reconstruction who are present. Violeta Barrios de Chamorro will swear them in.

ROBELO ON BORGE'S ROLE, CUBAN AID

PA270447 Paris AFP in Spanish 0101 GMT 27 Dec 79 PA

[Excerpts] San Jose, 26 Dec (AFP)--There is no room for the term strongman in Nicaragua, Nicaraguan junta member Alfonso Robelo affirmed here when asked about Interior Minister Cmdr Tomas Borge's role in the revolution.

Robelo, an important Nicaraguan businessman, also disclosed that the 1980 economic reactivation plan will respond to the private sector's concerns regarding its participation in the country's future. However, he refused to give any clues concerning the guidelines set forth in the program.

He also denied recent charges that Cuba is excessively involved in the Nicaraguan revolutionary process. The presence of Cuban teachers and a few doctors and technicians do not constitute anything other than generous aid on the part of the Cuban people and government in response to our appeal, he maintained.

In conclusion, Robelo referred to his country's relations with neighboring Honduras, which were very tense a few weeks ago. The crisis is over, he said. Relations are normal, considering our past problems. He referred, nonetheless, to the presence of a large number of former Somozist guards in that country, whom, he said, have friends in the Honduran Army. Consequently, they might provoke new incidents at any given moment. Nicaragua, he said, will do everything to keep this from happening.

GOVERNMENT JUNTA MEMBERS HOLD PRESS CONFERENCE

PA230150 Managua Domestic Service in Spanish 0300 GMT 20 Dec 79 PA

[News conference by junta members Sergio Ramirez and Daniel Ortega and Housing Minister Luis Vigil on 20 December; place not given--recorded]

[Excerpts] [Ortega] The Sandinist people's revolution, committed to the interests and sovereignty of the Nicaraguan people, has adopted important measures having to do with our independence, our sovereignty and our internal situation. We have adopted measures affecting the nationalization of the mines, the preservation of natural resources and the rationalization of the exploitation of our natural resources.

We are aware that our sovereignty was violated in the past by the ambitions of other nations which, adopting an imperial attitude at first and an imperialist attitude later, sacked our economy and attacked our nation politically.

Important measures have also been adopted on domestic issues related to the social problems affecting our people, such as illegal possession of land. These have immediately benefited thousands of Nicaraguans who were exploited by the holders of such lands.

Today the Sandinist National Liberation Front, [FSLN] leadership and the Junta of National Reconstruction, which represent this revolution, have decided to adopt measures of the highest importance which have to do with the recovery of our land and the banning of land alientation practiced under Somozism for over 45 years.

A decree has been issued concerning the continental shelf and the territorial waters. Nicaragua, in the exercise of its sovereignty, extends its jurisdiction for 200 maritime miles. Within those 200 miles are several keys and islands which have been the subject of international dispute and which had been ceded by past governments, including Somozism. We consider it the revolution's duty to make every effort to recover some of those parts of our territory. We do not intend to declare war on anybody over this; that is not our intention. We are, however, going to demand an elementary right--that of exercising our sovereignty, of being the owner of our territory. There are situations that may have to be contested or fought, since these constitute a situation of neocolonialism and colonialism in some circumstances.

The revolutionary government and the FSLN leadership know we will have the support of the Nicaraguan people and of other countries that have suffered similar attacks. Therefore we are convinced that we shall win this fight.

[Presumably Ramirez] Perhaps Companero Zamora [not further identified] of the Foreign Ministry could give some additional information to explain to our people the details of the decree which recovers for Nicaragua the 200 miles of maritime waters, including everything therein on the continental shelf.

[Zamora] First it is necessary to give you some background as to the reason for this decree, a somewhat belated decree since other countries long ago decided to enforce respect for their rights in this respect. For a long time our country has had an unfortunate history in its territorial disputes as a result of William Walker's intervention and U.S. and British intrigues. We lost Nicoya and Guanacaste. As a result of U.S. intervention we signed the Chamorro-Bryan Treaty and Barcenas-Meneses Guerra Treaty by which Nicaragua ceded, against its will, the islands of San Andres and Providencia off the Nicaraguan coast within its 200-mile limit and a part of its continental shelf. As a result of indirect U.S. intervention, we lost a final territory, the territory disputed with Honduras. However, our unfortunate history has not ended yet. Now certain governments want to limit us to a narrow territorial sea in comparison with what Nicaragua really should have according to the length of its coasts and its islands.

In brief, within the Caribbean there is the intention of restricting us to less than 90 miles of contiguous seas. This is why there is a need for this law. It will defend, in the first place, Nicaragua's rights over its contiguous seas, and in the second place the long continental shelf off Nicaragua's shores in the Caribbean which joins, so to speak, the Jamaican shelf. The other are juridical considerations, the reasons why certain matters have been included. At any rate, the law is there. It is a project of the revolutionary government. For the first time since the coming of the Sandinist revolution to power, we, the Sandinists, are actually going to defend our national territory. The law is there and the rest will be up to the neighboring countries.

[Question] In the past when these kinds of laws were approved--we do not know if it was because of fear of imperialist pressures or because of diplomatic procedure--it was customary to previously notify the other country in regard to steps in this respect. Now that Nicaragua is going to issue this decree, has it held consultations? And second, what is the situation in the Pacific in regard to extension? You told us that in the Caribbean, Nicaragua was restricted to 90 miles; what is the situation in the Pacific?

[Zamora] Naturally Nicaragua has not had to consult with anyone prior to issuing this decree, which recovers a sovereign right for this country. It is a sovereign right our country asserted by means of Commander Ortega's speech at the Havana summit conference and at the UN General Assembly. He asserted Nicaragua's right to 200 maritime miles. Therefore since several Central America countries have made agreements with other Latin American countries in regard to territorial seas which affect Nicaragua's rights, we are going to demand this right at all international juridical levels in order to maintain our 200-mile territorial seas intact.

This is the situation in the Atlantic. In the Pacific, under the international convention on the taking of yellowfin tuna, a division has been made of the Pacific waters in which Nicaragua, as Companero Zamora said, has been affected because Nicaragua's territorial seas have been constricted by these conventions approved during the Somoza regime, which never bothered to defend our sovereignty. The Nicaraguan territorial sea is a fraction of what it should be.

Now we are going before the international community to demand our rights to maintain the integrity of our territorial sea and its wealth.

[Question] According to this new decree, what is the situation of the Roncador, Quitasueno and Serrana islands?

[Zamora] These are atolls on the Nicaraguan continental shelf, within the 200-mile limit we claim in the Atlantic. These islands were occupied in the past by the U.S. Government, which, without having the right to, ceded them to Colombia. Naturally we place no value on this treaty, which is about to be approved by the U.S. Senate. We are doing everything possible to prevent its ratification because we are going to prove our legitimate rights to Serrana, Quitasueno and Roncador, which are within our Atlantic territorial sea.

[Question] Are the San Andres and Providencia islands included within your demands? To what other Central American countries do you refer when you talk about having signed treaties detrimental to Nicaraguan maritime rights?

[Zamora] So far we have not considered this possibility. In short, we are referring in the Caribbean to the San Andres and Serrana atolls, or keys. According to the Vasquez-Saquio Treaty of 8 September 1972 between the United States and Colombia, the United States turned the keys over to Colombia based on certain rights which both the Americans and Colombians claimed over the keys. This treaty refers to a treaty signed in 1852 between the United States and England according to which they divided our national territory. Therefore, according to this treaty, England kept the northern part, the United States the southern part and Costa Rica was given all the southern bank of the San Juan River and Lake Nicaragua. This treaty goes back to the policy of dividing between third countries a territory which belongs to Nicaragua, and we cannot allow this.

[Question] Companero Ramirez, it seems to me that part of Filadelfo's question was left up in the air. Commander Ortega mentioned the word "fight"--that is to say, following newsman Martinez' line of thought, I would like to ask, is this not a bit premature? Could it have effects on the hard task of national reconstruction?

[Ramirez] Naturally we are not opening any fighting front with any country. This is not our intention. Our intention is to rescue, for our national sovereignty and for the Nicaraguan people, the 200-mile territorial seas which all countries are demanding. That is to say, the right to fish and prospect for natural resources within the 200-mile limit. We have rich territorial seas whose exploitation, as Commander Ortega said, is part of Nicaraguan sovereignty and this is the right we must demand, just as the other Latin American countries have demanded their right to 200-mile territorial seas.

[Question] What resources does the Nicaraguan Government have to exert sovereignty over the 200 miles in the form of air patrols and armed vessels? Because it seems to me that this is the only way to exert this sovereignty. We know Nicaragua has always had problems keeping up a suitable naval defense.

[Ramirez] When we speak of exerting our rights over these keys, we are speaking mainly about a fight in the international field directly related to our reality. Our strength lies in our moral rights, our arguments and reality. In the specific case of the keys, San Andres Island is over 400 miles from Colombia and less than 200 miles from Nicaragua. This is a strong argument to prove our right to integrate them into our country as well as other islands within these 200 miles.

We have limitations in regard to patrol boats and planes to patrol our shores. As a matter of fact, pirate fishing vessels come within a few miles of our shores and steal our fish. We have an approximate yearly loss of $17 million in lobsters and shrimp alone. We are going to find a way to invest some of our resources to patrol our shores, but we cannot even imagine that we are going to control all the region we are demanding starting from today.

[Question] EL PUEBLO. In the Somozist past there were some verbal disputes between the Colombian and Nicaraguan foreign ministries over the status of these keys and some atolls in the 200-mile limit. Reports from Colombia claim the existence of petroleum in the area. What information does the government junta have in this respect?

[Ramirez] We are now reviewing petroleum prospecting in the Nicaraguan continental shelf. Several wells have been drilled, and we are going to insist on searching for hydrocarbons within the 200-mile limit. The existence or not of petroleum can be determined only by explorations, which will be carried out.

[Question] Much has been said about a Central American summit meeting here in Managua. I would like to know what is being done in this respect in regards to who is coming and something about the agenda--especially since it seems that Nicaragua has taken the lead in this respect.

[Ramirez] As a matter of fact, the Nicaraguan Government took the initiative of calling a meeting of Central American chiefs of state. Father D'Escoto visited the Central American countries to suggest this meeting, and it was accepted by all the chiefs of state. It will be held in Managua at a date which has already been determined in January. This meeting will be preceded by a meeting of foreign ministers to be held in San Jose the week prior to the chiefs of states meeting. This meeting will draft the agenda for the presidents meeting. The agenda will be open. We want to discuss, at the Central American level, all the problems affecting the region dealing with economic integration and common Central American positions on external interests. In short we are going to discuss all matters of interest to our governments and our peoples. The national reconstruction government believes that the fact that this meeting will be held in Nicaragua and that our proposal was promptly accepted by the other Central American governments is a triumph of the Sandinist revolutionary government's diplomacy a few months after our victory.

[Question] In regard to the $75-million loan, what is the situation? Is it about to be signed in the near future?

[Ramirez] This loan has just been approved by the U.S. Senate Foreign Relations Committee. It must go to the U.S. House of Representatives. We do not expect any problem, and the loan should be granted. We want to say that this $75-million loan, which has received the greatest publicity, is just one of the credits the national reconstruction government has obtained from financial sources all over the world. So far we have obtained financial support amounting to some $350 million in soft credits, and it is a triumph of our foreign policy that this was obtained at an average 4.5-percent interest, which is a truly soft loan, and benefits our development plans. This shows the trust the international financial community has in the Sandinist revolution.

[Question] It was announced some days ago that ministers, deputy ministers and presidents of autonomous institutions had presented their pro forma resignations customary at the year's end. Will we have new faces next year in the cabinet?

[Ramirez] What we have to say is that all of us, from the members of the Junta of the Government of National Reconstruction to the companeros who work at minor tasks, are employees of the people and can be tranferred at any time to other work.

We must do away with the tension existing among the people and speculation during the Somozist regime when the ministers presented their resignations. With the revolution, we are all officials. No one has to cling to any post. We are here to serve the people, and this is the attitude of those who make up the Government of National Reconstruction and the various government organizations.

[Question] Does the government junta believe the shah's presence in Panama will have negative effects on revolutionary movements in Central America, and especially on our revolution in Nicaragua?

[Ramirez] I believe revolutionary movements in Latin America or in Central America abide by the specific conditions in their country. Whether the shah comes or goes should not change the economic, political and social reality in any country, or crises or problems, or where the people are murdered, tortured and attacked. [as heard]

[Question] In regard to the Central American chiefs of states meeting, we have heard that the Panamanian chief of state had been invited, as well as Dominican Foreign Minister Ramon Emilio Jimenez, in an attempt to unite Central America and the Caribbean. What can you tell us about this?

[Ramirez] These are two different matters. The Dominican foreign minister will attend the foreign ministers meeting in Costa Rica. This is also at the request of Nicaragua, which wants to create a new political atmosphere in the Caribbean. We want the Caribbean nations, both the English- and Spanish-speaking, to come closer together and to create a real political and economic community in the Caribbean. This first Central American meeting open to the Caribbean nations is part of this new policy. Naturally, Panamanian President Royo was invited to the Managua meeting, and he has confirmed his participation.

[Question] About the reactivation plan: I am familiar with it; the chapter which drew my attention is the one dealing with the Central American Common Market. You speak about a common market based not on a relationship between concern and concern but people and people, discarding the old system. I want to ask, how are you going to reply to the concerns of the other Central American countries?

[Ramirez] In regard to the Central American Common Market, we want to use a new concept. The people know the Common Market has not benefited them, and Nicaragua has had a negative trade balance. We are planning a thorough reorganization of what was called the Central American Common Market, so that the Nicaraguan people will benefit above all. This thorough reorganization will be proposed to the other countries, and we believe the summit meeting in Nicaragua will be a good opportunity. This is why the document you mentioned has redefined, in political terms, the role we assign to the Central American Common Market within the purposes of national reconstruction and the reorganization of our economy, but with a new sense. We are going to reorganize the economy so it will benefit the people and not so it will be again what it was during Somozism--a profitable exploitation economy. This will not happen again. The type of economy must be a new type that will benefit the people.

[Question] Commanders Victor Tirado and Jaime Wheelock have just returned from the United States, where they spoke with representatives of the monopolistic sector. My question is, if the junta expects a considerable growth of direct foreign investment during the coming year, do you believe there could be problems and contradictions between the Government of National Reconstruction and the people, on one hand, and participation by transnational companies in Nicaragua in the plan for 1980?

[Ramirez] Companeros Victor Tirado, Jaime Wheelock and Rene Nunez, who returned recently from the United States, acted according to the new process of relations with the U.S. Government and the various U.S. capitalist companies and banks which are active in the world and which are doing business with our country. We believe that within international trade and economic relations, Nicaragua's situation is very logical. The United States has relations with all the nations of the world, except Cuba. It has relations with the Soviet Union and China. We cannot forget this fact, and with this new stage we have earned the right to be treated with respect and to demand respect. We believe investments will depend basically on the need for technology in certain areas, which we cannot supply, and we must seek resources among more developed countries; however, this will be done under contracts that will benefit our process and our people. In this respect we believe there is a willingness on the part of the U.S. investors. They regard our revolution with a practical attitude. They know our attitude and understand the rules of the revolution. We believe relations are normal and will continue normal in this respect.

STATE TO CONTROL ALL TELEVISION BROADCASTS

PA222352 Panama City ACAN in Spanish 1734 GMT 20 Dec 79 PA

[Text] Managua, 20 Dec (ACAN-EFE)--Only state-owned television transmitters will operate and broadcast in Nicaragua, said Sergio Ramirez Mercado, member of the Junta of the Government of National Reconstruction, at a news conference last night in reply to a query on the fate of a request submitted to the government to operate a new but private television station.

Since 19 July, when the new government came to power in Nicaragua, the television stations which existed have been broadcasting in network under the responsibility of the "Sandinist Television Network." Channels 6 and 8, owned by Anastasio Somoza, were taken over. Channels 2 and 12, owned by a corporation headed by businessman Octavio Sacasa, were taken over and placed in network with the Sandinist television system.

Last week radio station owner Fabio Gadea Mantilla submitted a request to the Culture Ministry to operate a new private television channel. Sergio Ramirez Mercado said the request involved a "political proposal" to test the present government in the sense of whether it would grant the freedom to operate a private television channel. The statesman and writer said the reply to "that political proposal" will be based on principles. He added that television is a "privileged media" for cultural purposes and entertainment in Nicaragua, as it is in France, Holland, and West Germany, not to mention other European states which permit only state television.

He said that, obviously, the Nicaraguan Government will be labeled "totalitarian," the term being understood "as interpreted by certain interests which are not precisely the people's interests." He added that state television should represent the interests of the workers, the peasants and civic organizations entrusted with the management of this vehicle of cultural dissemination.

Daniel Ortega Saavedra said that although it is true that the revolution will allow the private sector which remained in Nicaragua to participate in the process, this private sector must "establish its position." He added that a private television channel could not be authorized because it would provide a forum for the exploiters and millionaires, just as happened on television during the Somoza era, which had television "to announce businesses" and not to provide culture for the people.

"We want to make it clear," said the Sandinist commander, "that this revolution was made for the workers and peasants and that in this respect we are going to be totalitarian and are not going to permit the exploiters to again have an opportunity to continue with that attitude."

EL PUEBLO SCORES ARMY COMMUNIQUE ON BORDER CONFLICTS

PA222151 Managua EL PUEBLO in Spanish 14 Dec 79 p 7 PA

[Text] An army communique issued after the Foreign Ministry had already issued its own says there is no conflict with Honduras. "The bad boys" who wanted to provoke a war have disappeared and now everything is in harmony.

If the elimination of friction between the Honduran gorillas and the Nicaraguan people were true, we would be glad. But we do not believe we should create a false impression about a conflict which is still latent.

Suddenly, in full contradiction of other communiques and reports published by Sandinist sources, everything is fine. The communique even said that "the situation caused by sectors interested in creating friction between our country and Honduras has been settled WITHOUT ANY INCIDENTS OR CASUALTIES."

Did we invent the often-mentioned casualties? What will the relatives of our companeros killed on the border say?

Just because we want to be "diplomatic" about the conflict, this does not mean we should say that nothing happened.

CONTRADICTORY GOVERNMENT MEASURES ANALYZED

PA271758 Managua EL PUEBLO in Spanish 21 Dec 79 p 2 PA

[Editorial]

[Text] The contradictions between the various measures dictated by the government are not accidental. They reflect the intention of creating what the "Sandinist power" defines as a "Sandinist state."

Sandinist power and Sandinist state are new expressions because the customary terms are class powers (bourgeois power, proletarian power) and classist states (capitalist states, workers states).

Apparently it is a matter of introducing a new category or class of power that is neither labor nor bourgeoisie. From the viewpoint of classes, this could only be interpreted as the establishment of a power and a state over and beyond and outside of the two main [words indistinct], this could only be attributed to the petty bourgeoisie.

However, given the fact that the petty bourgeoisie is not a social class with its own projections, and for this reason does not have its own ideology, it therefore cannot build its own power or its own state. However, while it makes this vain attempt, it dictates superclassist, self-contradictory measures, some in favor of the workers, others in favor of the bourgeoisie. It also tries by every means to maintain a situation of social peace and national unity, supposedly without a class struggle.

The bourgeoisie and the monopolies, in a period of acute crisis and impotence, eventually have to consent to act temporarily under the shelter of this power. Since they do not have enough strength to mobilize and radicalize the workers, they have no choice--if they are to prevent the deepening of the revolution--but to permit, or support, or "submit to" a power of this kind, which serves to cushion the shock of the class struggle.

Of course while this is taking place the bourgeoisie and the monopolies are working constantly to strengthen and reorganize their own forces. They are working to displace the power later and they can do this because, within the framework of a power which is apparently classless, the bourgeoisie is the power with the most resources. It continues to control the economy or to benefit from the laws. It is the class which has not only a class instinct but also class consciousness because capitalist production relations continue to be predominant as a result of the fact that this power is incapable of eradicating them and does not dare to promote new relations. All this, in addition to the not inconsiderable international support of the imperialist monopolies, make it possible for the bourgeoisie to strengthen itself progressively.

However, the bourgeoisie necessarily has to permit that power to also adopt measures which favor the workers, to effect reforms.

Furthermore, the ability to control the advance of the class struggle hinges on that power's ability to make reforms and to take measures of some sort to benefit the workers, without abolishing the bourgeoisie. The bourgeoisie understands this is something unavoidable in its period of crisis, but as it gains strength must show itself increasingly opposed to these reforms.

Expert at negotiating and very practical, the bourgeoisie permits--or has to consent to--yielding something so that all its workers will not be taken away, as has been explained by such ideologists as Muguel Scoto [as published] (when he implemented his housing project in Leon).

This is the fate of the "Sandinist" state and its historical role will end when one of the two classes is capable of forging its own power; either the proletariat, in alliance with the peasants, or the bourgeoisie establishes its total domination in that state, which still has not ceased to be at its service since it continues to defend the capitalist economy and attacks for control of the government.

Meanwhile, measures come and go.

On 19 December, the junta announced a considerable cut in rents. The workers say: Good, very good. But simultaneously, it announced that the doors are open to foreign investment and that the reactivation plan includes the participation of the bourgeoisie. The bourgeoisie says: Very good.

The workers must continue to aim at deepening the revolution. Proletarian revolutionaries must continue to organize and, together, must support measures benefiting the people. They must propound the demands and aspirations of the masses, remaining permanently alert against the blows of the bourgeoisie and preparing to make our revolution some day follow the path to socialism.

The measure to reduce rents is correct. We support it. It shows that against the bourgeoisie and the landlords many more victories can be attained, even full power, full control, which should never be lost sight of as the goal of the laborers and workers.

The other measures pointed out are incorrect. Battles must be waged so that during the course of the revolution it will not make mistakes and will follow the invariable path of proletarian revolution.

PEOPLE'S GOVERNMENT NATIONAL ASSEMBLY MEETING CONTINUES

Second Day Agenda

FL271126 Havana Domestic Service in Spanish 1100 GMT 27 Dec 79 FL

[Text] The People's Government National Assembly will continue its second ordinary meeting of 1979 today, 27 December, at 0900 hours. Reports on maintenance of waterworks, sewers and urban drainage systems, another on road maintenance and an examination of the state of fulfillment of the National Assembly agreement on attention to citizens' complaints and suggestions are some of the topics to be taken up by the deputies in the morning session.

For the afternoon session, the agenda includes reports on activities conducted in the International Year of the Child and progress made by the study of labor discipline. Immediately afterwards, the assembly will hear information on matters under study by the committees and, lastly, the deputies will formulate proposals.

Drainage, Sewage Problems

FL271938 Havana Domestic Service in Spanish 1800 GMT 27 Dec 79 FL

[Text] The People's Government National Assembly's second regular session of 1979 continued this morning at Havana's Palace of Conventions. Commander in Chief Fidel Castro, first secretary of the party and president of the councils of State and Ministers, is presiding over the session. Raul Roa, vice president of the National Assembly, continues to chair the working sessions.

The first matter debated and approved this morning was a report on questions concerning agricultural drainage in Cuba, which was read by Deputy Rene Penalver Valdes. The report states that not all drainage installations built and planned so far have offered an integral solution to the problem, and that existing problems affect extensive areas of many crops therefore having a big effect on agricultural-livestock production and the economy.

The committee that drafted the report recommended that the assembly conduct a national census of drainage areas, analyze the concepts and solutions of this problem and draft and give priority to a maintenance and rehabilitation program for existing installations that would respond to the needs of agriculture. Deputy Rafael Francia Mestre, minister of agriculture, spoke during the debate and expressed satisfaction with the report. He emphasized that solutions to the drainage problem must be thorough.

A report on maintenance of urban waterworks, sewers and drainage systems was then examined and approved. The report was read by Deputy Mireya Gainza Acosta. It is noted in the report that of the 326 urban centers with such services, 212 were provided waterworks after the triumph of the revolution; and that currently 893 million cubic meters of water are furnished annually to 90 percent of the urban population. The report points out that sewage and drainage problems are due to the poor physical condition of the installations and because they are used far beyond their capacity.

After several deputies spoke on various aspects of this subject, and when the deputies of Guanabacoa and San Miguel del Padron were referring to the fact that ditches were made in streets for repairs [on pipelines] and then the ditches remained in the streets for several years causing serious problems to residents, our commander in chief said:

[Begin Castro recording] I believe that two or three important things have been said about the waterworks problem. We have to consider what to do so that these things do not happen to us. It is the same with the story of those uncatchable men [hombres incapturables esos], and it goes on and, well, they bring a crane, they take it away; they bring a crane, they take it away. [sentence as heard] It is impossible for the people to understand this. No, this cannot be understood. And it is not fair for the revolution to lose prestige, authority and the people's trust and faith because of all this nonsense and foolishness. Yes, we know that work is not being done under ideal conditions, that we do not have the pipe factories for all this; that the pipes have to be imported, that sometimes the pipes are purchased but do not arrive; and that quantities are estimated for the year and then they are not available. However, in view of all this experience, we will not have to begin this type of work until we have all the necessary things--the labor force, equipment, materials and everything. [end recording]

Criticism of Aqueduct Authority

FL280208 Havana Domestic Television Service in Spanish 0100 GMT 28 Dec 79 FL

[Excerpt] The second regular session of the People's Government National Assembly ended today after 2 days of work at Havana's Palace of Conventions. A total of 461 deputies attended the session of the nation's maximum legislative organ.

At the conclusion of this session of the People's Government National Assembly, Commander in Chief Fidel Castro, president of the councils of State and Ministers, made a special speech.

The National Assembly agreed unanimously to declare 1980 the year of the second [party] congress.

The People's Government National Assembly today examined, among other reports, one concerned with the maintenance of urban waterworks, sewers and drainage systems which was broadly debated by the deputies. Commander in Chief Fidel Castro, president of the councils of State and Ministers, was among the speakers on this report. Castro referred to the poor planning of this work and analyzed in depth the difficulties which the Havana City Province aqueduct enterprise is facing.

[Begin Castro recording] Approximately 3 or 4 years ago, the Politburo held a meeting, and it was decided to begin drafting a plan to resolve the extremely grave situation in Havana, which even threatened contamination of the ground waters. We have a great ground water bed in Havana, which serves to supply potable water to the population. And because of industries built before and after [presumably the revolution] and an infinite number of latrines built over the ground water bed, it was necessary to prevent the eventual contamination of this bed and to undertake all the necessary constructions and investments, which are big ones, to cope definitively with this problem. And there was even talk of a 10-year plan. Note was made of canals and sewer projects that had to be done. They [as heard] were told that there was a will and dec sion to resolve the problem. They were promised the resources of construction equipment. This was associated with the plan to go on with the repair of houses and the installation of meters to charge for water in Havana. An entire plan was drawn on this.

They were asked what equipment they needed and were assigned the resources they requested. If some of the equipment was not delivered, it is the fault of that enterprise or that organization which did not make a sufficient effort, but I do recall that at a subsequent meeting in which we were discussing a problem I do not remember, I asked about the status of such work. I asked for one piece of information, and I believe that I estimated for them that at the pace the enterprise was moving, it would take 150 years to solve Havana's aqueduct and sewage problems.

It is true that we do not have many resources. It is true that resources are not enough. It is true, as the comrade [not further identified] noted, that the revolution cannot solve all these problems. But there are some problems which the revolution can solve and has wanted to solve. I have heard some praises of the Havana aqueduct and sewage enterprise and that it has a great shop, an important shop that is producing I do not know how many thousands of parts. I have heard some positive things.

However, we know--because this problem was discussed by the Politburo and there was a meeting of the Politburo, with maps and everything, [with] the Hydraulics Institute and Havana aqueduct enterprise--that the resources were offered, and it seems to me, I do not know if I am being unfair, but it seems to me that there has been very slow work and inefficiency in that enterprise and that the correct spirit to cope with the problem has not existed.

Yes, we know that work is not being done under ideal conditions, that we do not have the pipe factories for all this; that the pipes have to be imported; that sometimes the pipes are purchased and do not arrive; that sometimes they are contracted for and do not arrive; and that quantities are estimated for the year and then they are not available. However, in view of all this experience, we will not have to begin this type of work until we have all the necessary things--the labor force, equipment, materials, pipes and everything.

It seems to me that these things that have been raised enhance our experience on problems that we have and must solve and on ways of solving them. [end recording]

ST LUCIAN DELEGATION BRIEFED ON ICAP FUNCTIONS

FL120138 Havana Domestic Television Service in Spanish 0100 GMT 12 Dec 79 FL

[Text] A St Lucia delegation headed by Senator Frances Michel, president of the Union of Peasants and Farm Workers, today was received by Rene Rodriguez Cruz, president of the Cuban Institute for Friendship with Peoples--ICAP. At the meeting, which was held at ICAP headquarters, the visitors from the Caribbean island were briefed on the work and objectives of that institution whose fundamental function is to develop ties of friendship and solidarity between Cuba and the other countries of the world.

MINISTER NOTES IRON, STEEL INDUSTRY ACHIEVEMENTS

FL280051 Havana Domestic Service in Spanish 0000 GMT 28 Dec 79 FL

[Excerpt] The iron and steel machinery industry production in 1979 has exceeded 319 million pesos. This has been announced by the minister of this sector, Lester Rodriguez Perez, at the commemoration of the fifth founding anniversary of the Iron and Steel Machinery Industry Ministry held at the Havana Lyceum.

Minister Lester Rodriguez stressed in his speech that the most important achievements have been in the production of KTP sugarcane harvesters, sugarcane mills, and other equipment for sugar mills. Other significant achievements of the iron and steel industry this year included the production of citrus containers, sprinkler irrigation systems and urban buses. No less important have been the creation of an enterprise of complete plant projects and a center for developing new products which strengthen the technical-economic efforts of the iron and steel sector.

CARLOS RAFAEL RODRIGUEZ VIEWS TIES WITH USSR, ECONOMY, U.S.

LD211243 Rome L'ESPRESSO in Italian 16 Dec 79 pp 82-86 LD

[Antonio Gambino interview in November with Vice President of Cuban Council of State Carlos Rafael Rodriguez in Havana: "What Kind of Socialism is This?"]

[Text] Question: In a few days time it will be the 21st anniversary of the collapse of Batista's dictatorship, so the Cuban revolution has come of age. How do you assess the country's economic and social situation?

Answer: Anyone who knew Cuba early in 1959 knows that immense progress has been made in many fields: We have eliminated illiteracy, racial discrimination, organized prostitution and unemployment; everyone is sure of treatment in the event of ill health. Considerable steps have also been made in the economy, doubling or tripling production in many fields. This does not mean that there are no longer any difficulties, especially with regard to efficiency. But efficiency is not something that can be learned easily: in capitalist countries it has been the result of a long historical process over several centuries marked by terrible suffering; suffice it to consider the Britain described by Marx. Furthermore, some time ago we adopted new systems of economic leadership which will certainly bear fruit. But at the same time, since we do not want to impose discipline through force, we must be patient and remember that, just like the sabbath, socialism too is made for mankind and not vice versa. This rules out the possibility of accepting the recourse to coercion to achieve certain results more quickly.

Question: This is an idea reminiscent of those of Bukharin or even the Chinese....

Answer: I would not say so. Not only was Bukharin a gradualist, but be believed that industrialization should stem from the increased wealth of the peasants. And the Chinese too followed a different path. As far as Cuba is concerned, the chosen path is closely linked to the availability of a commodity, such as sugar, whose export could enable us to import manufactured goods from the most advanced countries--chiefly the socialist countries--without ourselves having to produce them at the cost of enormous sacrifices. This is a fortunate circumstance which initially was not enjoyed either by the USSR, which was squeezed by the capitalist countries' encirclement, nor by the East European countries, as a result of the cold war.

Question: So has the USSR's contribution to the success of the revolution been decisive?

Answer: Of course. Both in the initial phase, when the United States nearly strangled us with its economic blockade, and in the subsequent phase, which is still under way today. The most important aspect of this relationship is obviously the agreement on sugar, which the USSR buys from us at a considerably higher price than that prevailing on the world market. Furthermore, the USSR supplies us with oil at a slightly reduced price, just as it does to all CEMA countries. Last, there are the loans which the Soviet Government has granted us in past years and which we will only start repaying in 1986 and on which, for the time being, we are paying no interest.

Question: Is there no direct aid, subsidies to the budget?

Answer: No. That is, if course, of one excludes military cooperation.

Question: What form does the sugar agreement take exactly?

Answer: It is based on the establishment of a fair price by mutual agreement. Having established this price, which is higher than the world price because it is not the result of the advanced industrial countries' ability to exploit the underdeveloped countries, we also created a method of index linkage, whereby the price of sugar increases in relation to the increase in the price of the principal industrial products. This system--not only in our opinion but also in the opinion of the entire group of nonalined countries--should be applied to all North-South trade relations. The agreement between Cuba and the USSR is therefore of universal value. It is not a gift to us from the Soviets but the first application of a new and more equitable form of economic relations between industrial and developing countries.

Question: But Soviet aid has not prevented Cuban economic development from continuing to pose considerable difficulties....

Answer: This is closely linked to the fluctuations--almost always negative--in sugar prices. For the past 15 years the world price has been 8 cents a pound. The part of our production which we do not sell to the USSR has earned us less than we hoped. Hence the need to cut back certain industrial programs, to postpone certain technological innovations.

Question: Despite your close link with the USSR, an initial glance is enough to show that Cuban socialism is very different from East European socialism. To take just one example, the polemics against consumerism are much more heated....

Answer: It must be quite clear that we are not opposed to the development of consumption. It is quite true, however, that we are against consumerism and that we therefore believe that it is unnecessary to have 20 or 100 varieties of the same product and that 2 or 3 are sufficient. We are especially convinced that an excessive rush to purchase and possess material goods is not the best foundation for building a socialist society.

Question: And yet this kind of mentality seems to be spreading increasingly through East Europe as well....

Answer: There are precise reasons for all this. The East European countries live on the borders of the capitalist world, and it is therefore inevitable that on the one hand they will be contaminated by its living customs and, on the other hand, they will feel in some way obliged to compete with it to show that they are not behind even with regard to material commodities. Our position and attitude are different. And it is certainly no coincidence that Fidel Castro decided to step up the struggle against consumerism precisely following his visit to the USSR in 1972, which convinced him of the danger that it could constitute. On the other hand, since certain tendencies--particularly as far as young people are concerned--exist throughout the world, we do not intend to make this polemic too drastic either, because that would make us isolate our society, "Koreanize" it.

Question: Do you not believe that it is most likely that the first to surmount consumerism will be the advanced capitalist countries, which have been immersed in this mentality for decades and are beginning physically to feel its dangers, rather than the East European countries, whose degree of economic development is more backward?

Answer: It is difficult to say. What is certain, however, is that the 1968 unrest among young people manifested itself differently in the East than in the West. In the West young people were expressing the need to escape from a society totally dominated by consumption. In the Eastern bloc the aspiration was to a more comfortable way of life.

Question: You are undoubtedly aware that the PCI is the only Western communist party to raise this problem in its discussion of "austerity." So at least on this point the Cuban and Italian communists seem to be in complete agreement.

Answer: Not only on this point, but also on many others, the Communist Party of Cuba and the PCI have similar or shared stances. On others, however, we disagree. For instance, we have not found the Italian Communists correct in their criticisms of the Portuguese Communist Party [PCP]. In recent years the PCP has certainly made some mistakes but in our opinion the basic line of its policy is correct. More generally, we believe you cannot build a truly socialist society without the dictatorship of the proleteriat. It can take various forms, but the dictatorship of the proleteriat remains a fundamental concept. This is the way we are moving in Cuba.

Question: All in all, therefore, it would be correct to say that the link between Cuba and the Soviet Union is an organic one and constitutes more than a relationship of friendship and alliance....

Answer: I have already explained to you the nature of the relations of economic and political cooperation and gratitude which bind us to the USSR. Nor must one forget that in the military field also the Soviet Union provides us with a specific guarantee against possible aggressive imperialist plans. Having said all that, we are convinced that many foreigners make the serious mistake of assessing this situation superficially. What these foreign observers need is a Copernican revolution in their outlook. That is to say, they must understand that Cuba always and in all cases follows its own orbit. This orbit stems autonomously from Cuba's national interests, from its socialist vocation and from its solidarity with all countries struggling for socialism and a more equitable international order.

Question: What about the United States? Do you believe there is any possibility of an improvement and normalization of relations?

Answer: We believe that the present situation is artificial and that one day relations will again be normal between the Cubans and Americans--two peoples who know each other very well and who have many things in common. Realistically, however, it must be said that one cannot expect absolutely anything for the whole of this campaign period. Furthermore, it remains to be seen what will happen in the months ahead, that is, whether the attack on Cuba will become one of the central topics of the election campaign. Because if it does the polemic against us could grow to the extent of reducing the possibility of detente initiatives by Carter or a new president for some time in the future. Therefore all we can do is wait and specify that the resumption of a dialog demands that the Americans abandon the attempt both to strangle us economically and to interfere in our international friendships or influence our choice of camp in our foreign policy.

NICARAGUAN VICE MINISTER OF CULTURE ARRIVES

FL220030 Havana Domestic Service in Spanish 0000 GMT 22 Dec 79 FL

[Text] Nicaraguan Vice Minister of Culture Daisy Zamora arrived in this capital this afternoon. Cuban Vice Minister of Culture Antonio Nunez Jimenez welcomed the distinguished visitor at the Jose Marti International Airport.

GRENADA

GOVERNMENT SETS CONDITIONS FOR NORMALIZATION WITH U.S.

FL241315 Bridgetown ADVOCATE-NEWS in English 19 Dec 79 p 3 FL

[Text] St Georges, Grenada, 18 Dec (CANA)--Grenada yesterday set out its conditions for normalising relations with the United States and sought EC$5 million in American assistance to repair rain-damaged roads and bridges across the island.

Prime Minister Maurice Bishop and his deputy Bernard Coard put their case to Barbados based U.S. ambassador to the eastern Caribbean, Sally Shelton, during three hours of talks here.

Phyllis Coard, a senior Grenada Information Ministry official told CANA that her government saw as the main stumbling block to normalising strained relations with the Americans, the "slowness" with which U.S. is treating a demand here for the extradition of deposed Grenada Prime Minister Eric Gairy, who is now living there.

Relations between Washington and St. Georges sank to a new low shortly after Bishop's left wing New Jewel Movement (NJM) ousted the Gairy regime in a March 13 coup and sought closer ties with Cuba.

The U.S. promptly despatched its then Eastern Caribbean ambassador to St. Georges with a message which the new NJM government condemned as an attempt by the Americans to dictate who Grenada's friends should be.

Said Mrs Coard: "The people's revolutionary government expressed a wish for friendly relations and also asked for concrete manifestations of friendly intentions on the part of the United States."

She said Grenada asked for the expediting of the Gairy extradition, agreement that the U.S. would halt Gairy's use of the American media to wage a propaganda war against the new NJM regime and for American assistance, and co-operation in various areas, in order to accelerate Grenada's social and economic development.

Grenada, Mrs Coard said, put in a request for $5 million in aid, to help the country rectify damage done to bridges, roads and retaining walls by heavy rains here during the past month.

About 25 inches of rain fell in some parts of Grenada over the last month or so, Mrs Coard said.

Grenada also sought U.S. assistance in the building of a modern EC$50 million international airport-half of the cost of which is to be borne by Cuba.

According to Mrs Coard, Miss Shelton said consultations between the U.S. Justice Department and the attorney general's office here were needed in order to expedite the extradition process and there was agreement that these consultations would take place in January.

Miss Shelton agreed to communicate to the relevant authorities Grenada's concern over Gairy's use of American media for counterrevolutionary propaganda, Mrs Coard added.

She said both countries reaffirmed their commitment to the concept of ideological pluralism and Miss Shelton shared Grenada's concern that the Caribbean should remain a zone of peace.

"We feel that Miss Shelton now has a clearer understanding of our genuine wish for better relations and on our part, we see no reasons why relations should not improve. The ball is now in the court of the United States", Mrs Coard told CANA.

Miss Shelton, who came here at the invitation of the Grenada Government, returns to Barbados today.

LIBYA TO PROVIDE ECONOMIC DEVELOPMENT ASSISTANCE

PA251721 Paris AFP in English 1704 GMT 25 Dec 79 PA

[Text] St Georges, Grenada, Dec 25 (AFP)--Libya is to provide urgent aid for the overall development of this five-year-old Caribbean state, an official spokesman announced here today.

He said that Prime Minister Maurice Bishop's revolutionary government had reached agreement with a delegation from Libya which is to consider assistance in several fields, including industry, agriculture and tourism, as well as in construction of a new 18-million dollar international airport.

Cuba, Iraq and Venezuela are also reportedly assisting in the construction of the airport.

JAMAICA

MANLEY ANNOUNCES NEW CABINET, REFORMS

FL241515 Kingston DAILY GLEANER in English 20 Dec 79 pp 1, 11 FL

[Text] Prime Minister Michael Manley has taken over the Ministry of Agriculture, in a re-structuring of the Cabinet which has seen six former ministers dropped from the government and the Cabinet trimmed down to 13 members.

Announcing the promised re-structuring of the government last night in a radio and television broadcast to the nation, Mr Manley said he was taking over the agriculture portfolio to make sure that agriculture and farming get major attention.

The Hon P.J. Patterson remains deputy prime minister and minister of foreign affairs, foreign trade and tourism. The Hon Eric Bell remains minister of finance and planning, so do Mr Howard Cooke as minister of the public service, and Mr Dudley Thompson as minister of national security.

As foreshadowed, Mr William Isaacs has been appointed minister of industry and commerce, but he has left the Labour Ministry, which is now to be joined with justice to form one ministry, under the Hon. Carl Rattray.

New Ministries

A new Ministry of Construction has been named, incorporating housing and works, but it will still be headed by the Hon Anthony Spaulding. Education has been joined to youth and sports to form another single ministry, with the Hon Hugh Small at the head.

Community development has been linked with local government, which remains in the hands of the Hon Ralph Brown. Health and social security have been joined, and will be headed by the Hon Seymour Mullings, who will also become leader of the House.

The remaining ministries are mining and natural Resources, still headed by the Hon Horace Clarke; and public utilities, still headed by the Hon Carlyle Dunkley.

Culture, information and defence will be attached to the office of the prime minister.

Those Dropped

Those dropped from the cabinet are Dr Douglas Manley (health), Mrs Phyllis MacPherson-Russell (education), Mr Arnold Bertram (information and culture), Mr Keble Munn (Ministry of Parliamentary Affairs and leader of the House), Mr A.J. Belinfanti (public works), Mr Winston Jones (social security).

Mr Danny Williams makes the seventh minister; but his resignation from the government has already been announced.

Mr Manley said the new cabinet will meet tomorrow and on Monday and Friday of next week. "Thereafter, we will arrange an early opportunity for a full debate of the economic situation with the opposition," he said.

Of his own taking over of the agriculture portfolio, effective January 1 next, the prime minister said another reason for his doing so was to "make sure that the nation understands the vital importance of what has to be done."

Mr Manley made his nationwide broadcast against the background of "the crisis we face." He gave a review of the acute economic situation in which the country finds itself and dealt with some of the reasons for it.

Elements of the crisis which he listed were:

-The failure of the I.M.F. foreign assets test;
-The impending increases in the prices of oil, sugar and food;
-The problem of how to finance the budget in a situation where, by next year 71 per cent of our revenue will be needed to meet wages, salaries and emoluments;
-The continuing lag in production in both the public and private sectors.

ST VINCENT

GOVERNMENT LIFTS 2-WEEK OLD CURFEW

FL211539 Kingston Domestic Service in English 1530 GMT 21 Dec 79 FL

[Text] The Saint Vincent Government today lifted a 2-week old curfew which it imposed on December 7 when about 50 dissidents staged an abortive rebellion on its Grenadine ward island, Union. Today's lifting of the curfew gives Vincentians 4-days to prepare themselves for Christmas and enjoy activities like caroling and Christmas parties, all of which were cancelled because people had to stay indoors.

INTER-AMERICAN AFFAIRS

ANDEAN COUNTRIES EXPRESS SUPPORT FOR BOLIVIAN GOVERNMENT

PA250112 Paris AFP in Spanish 2119 GMT 24 Dec 79 PA

[Text] Lima, 24 Dec (AFP)--Bolivia's four associates in the Andean Pact--Colombia, Ecuador, Peru and Venezuela--have offered their support to the constitutional government of that country so its requests for credit and technical aid may receive prompt and preferential treatment, it was officially announced here today. The offer of cooperation was announced by the Bolivian Foreign Ministry. It released a declaration signed by the foreign ministers of the four countries associated with Bolivia in the Cartagena agreement.

The following is the text of the declaration:

Inspired by integrationist ideals and ties of fraternal friendship with the Bolivian people, and guided by the principle that the problems affecting the subregional countries must stimulate their solidarity, the foreign ministers of Colombia, Ecuador, Peru and Venezuela have agreed to offer Bolivia's constitutional government their cooperation to the extent considered necessary by that government. Therefore, Bolivia's requests to the financial and technical aid organizations of the Andean subregional system and to the other international aid organizations will receive prompt and preferential attention under the conditions most favorable to Bolivia. On this occasion, the foreign ministers reiterate their solidarity with the Bolivian people and with the democratic institutions their free will has created.

ECUADOR

EMERGENCY MEETING HELD WITH EDUCATORS

PA191959 Quito La Voz de los Andes in Spanish 1730 GMT 19 Dec 79 PA

[Text] The minister of education held an emergency meeting with officials of private educational institutes while several thousand students demonstrated on the streets demanding a solution to the problem of private education. The demonstration was a result of the imminent fixing of the basic salary for educators.

The problem acquired political overtones when the students demanded that President Jaime Roldos Aguilera step out on the balcony of the presidential palace to hear their demands.

DIPLOMATIC RELATIONS TO BE ESTABLISHED WITH VIETNAM

PA271124 Quito Voz de los Andes in Spanish 1230 GMT 22 Dec 79 PA

[Text] Ecuador and the Socialist Republic of Vietnam have agreed to establish diplomatic relations at embassy level as of 1 January, the Foreign Ministry has reported. A joint statement to that effect was signed in New York by the two countries' permanent UN representatives. The news was released simultaneously in Quito and Hanoi. The document states the desire of the two countries to develop and strengthen relations for the sake of peace and cooperation among peoples, based on the mutual respect of the independence, sovereignty and territorial integrity of the two states.